GOVERNMENT OF INDIA
NEW AND RENEWABLE ENERGY
LOK SABHA

UNSTARRED QUESTION NO:859
ANSWERED ON:28.04.2016
Production of Solar Energy
Kothapalli Smt. Geetha;Mishra Shri Bhairon Prasad;Patil Shri Bheemrao Baswanthrao;Reddy Shri Ch. Malla;Yeddyurappa Shri B. S.

Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

(a) the total power production increased through solar energy in the country;

(b) whether the country is capable of producing around five trillion kilowatts of solar energy, if so, the facts thereof;

(c) whether the Government is targeting 100 gigawatt of solar power generation by 2022, if so, the present status thereof and the steps taken to achieve the target along with the investment made and expenditure incurred for the said purpose;

(d) whether India along with the other countries has launched the International Solar Alliance at the Climate Change Conference in November last, if so, the vision behind this alliance and the manner in which the alliance mobilise investment or funds for this project;

(e) whether the Government proposes to increase the subsidy given by different nodal agencies to push the generation of solar energy, if so, the details thereof; and

(f) whether the Government has received any proposal from various State Governments for providing funds for generation of solar energy, if so, the details thereof and the action taken by the Government thereon, State-wise?

Answer

THE MINISTER OF STATE FOR POWER, COAL & NEW AND RENEWABLE ENERGY (INDEPENDENT CHARGE) (SHRI PIYUSH GOYAL)

(a): As on 31.3.2016, a capacity of 6763 MW solar power has been installed.

(b): At present the estimated potential of India is to generate about 750 GW solar energy, which is estimated to generate 1250 billion units annually at average capacity utilization factor(CUF) of 19%.
(c): Yes, Madam. The Government has revised the National Solar Mission target of Grid Connected Solar Power projects from 20,000 MW by 2022 to 1,00,000 MW by 2022. Upto 31.3.2016, a capacity of 6763 MW has been achieved through solar power plants and a cumulative target of 17,000 MW has been kept for 2016-17. Government is providing the following fiscal and promotional incentives for promoting solar industry:-
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â€¢ capital and/or interest subsidy,
â€¢ tax holiday on the earnings for 10 years,
â€¢ generation based incentive,
â€¢ accelerated depreciation,
â€¢ viability gap funding (VGF),
â€¢ financing solar rooftop systems as part of home loan,
â€¢ concessional excise and custom duties,
â€¢ preferential tariff for power generation from renewables, and
â€¢ Foreign direct investment up to 100 per cent under the automatic route.

In addition power is offered at lower tariff through schemes like bundling with thermal power and VGF. Keeping in view the solar capacity addition, an investment of about 40, 000 crore has been made by solar power developers. In addition, expenditure of Rs. 2400 Crore has been incurred by MNRE since launch of National Solar Mission for Grid connected Solar projects.

(d): International Solar Alliance (ISA), an alliance of 121 solar resource rich countries lying fully or partially between the tropic of Cancer and tropic of Capricorn was jointly launched by the Prime Minister of India and the President of France on 30 November 2015 at Paris, France on the side-lines of the 21st Conference of Parties to the United Nations Framework Convention on Climate Change. ISA is envisioned as a specialized platform to contribute towards the common goal of increasing utilization and promotion of solar energy and solar applications in its member countries. The Paris declaration on ISA states that the countries share the collective ambition to undertake innovative and concerted efforts for reducing the cost of finance and cost of technology for immediate deployment of competitive solar generation, financial instruments to mobilise more than 1000 Billion US Dollars of investments needed by 2030 for the massive deployment of affordable solar energy and to pave the way for future solar generation, storage and good technologies for countries' individual needs.
(e): There is no proposal to increase the percentage of subsidy under off-grid solar programme which is largely implemented through nodal agencies.

(f): Solar energy generation projects are set up based on power purchase agreements offered by Distribution Companies. For this they are not required to send proposals to Government of India unless they require support under Government of India schemes for various components. State-wise details of proposals sanctioned, received in accordance with different scheme guidelines from various State Government are given at Annexure.